



# Special Market Update: PJM Base Residual Auction Results for '28/'29

Compiled July 14, 2026

PJM [published the results of its Base Residual Auction \(BRA\)](#) on July 14, 2026, which procured 138,318 MW of unforced capacity generation (UCAP) for the June 1, 2028-May 31, 2029 delivery year (DY). Learn more about the details and what this means for your business.

### Snapshot

- ❖ Clearing prices were largely unchanged from the 2027/28 BRA (held in Dec. 2025) and **settled at the FERC-approved cap of \$325/MW-day across all locational deliverability areas in the RTO**.<sup>\*</sup> This is about 2.5% lower than the 2027/28 BRA settlements, or a decrease of \$8.44/MW-day.
  - ❖ The total amount of cleared capacity increased by 3,733 MW UCAP from the 134,585 MW that cleared in 2027/28.
  - ❖ Supply offered into the 2028/2029 BRA increased 3,447 MW (UCAP) to 139,595 MW, from 136,148 MW in the 2027/2028 BRA
  - ❖ The auction cleared 525 MW UCAP of new generation and generation updates
  - ❖ The total capacity that cleared was short of the reliability requirement by 6,831 MW. This is the second auction whereby the reliability standard was not met—the 2027/28 BRA also fell short by 6,500 MW.
  - ❖ PJM plans to seek FERC approval to hold a special “Backstop Procurement” in September to help address the near-term shortfall.
- ❖ **Forecasted peak load** for the 2028/2029 DY was **about 1,375 MW higher** than the forecasted peak load for the 2027/2028 BRA.
  - ❖ The **reliability requirement** for the 2028/2029 DY was 156,013 MW, which is 3,613 MW, or 2.4%, higher than 2027/2028 BRA.

Source: [PJM BRA Planning Parameters](#).

**Note:** being short of the reliability requirement does not necessarily mean that the PJM system will be unable to serve load reliably in the delivery year. It means that **PJM would have to operate with slimmer reserves and a greater level of risk**. PJM continues to hold a reserve margin of 14.7% for the 2028/2029 delivery year however that margin can change between now and June 2028 based on load forecast changes and resource entry/exit.



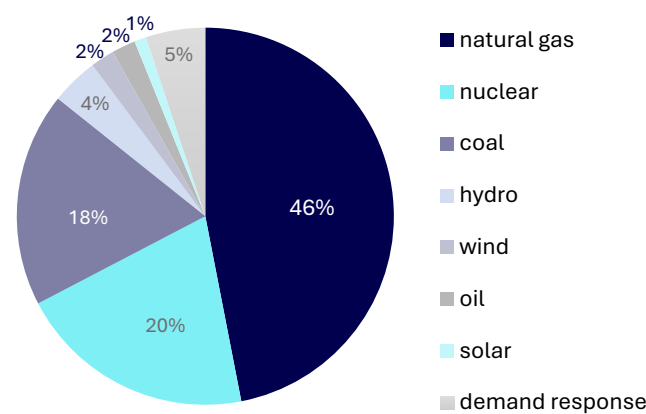
### Other important tidbits

As noted in previous PJM BRA informational sheets, PJM, in coordination with the governors of all 13 PJM states and the [Federal Energy Regulatory Commission \(FERC\)](#), **established a price cap and floor for four capacity auctions** (2026/27-2029/30) to protect both consumers and investors from market volatility. This was the third consecutive auction with the price collar. *The cap is calculated using the accredited capacity of the PJM reference resource.*

[According to PJM](#), while the price cap and floor may reduce volatility, they do not solve the underlying supply-demand imbalance. Addressing that challenge requires **bringing more resources onto the system to meet the pace of demand growth**. PJM’s actions to increase supply and manage demand include:

- Clearing the generation interconnection queue backlog and implementing a new streamlined cycle process
- Planning a Reliability Backstop Procurement to address near-term reliability needs and allocate the costs consistent with state preferences (FERC filing expected in coming weeks)
- Developing “Connect and Manage” frameworks that allow large new loads, like data centers, to connect to the system but operate flexibly when needed to limit disruptions to other consumers (FERC filing expected in coming weeks)
- Creating a FERC-approved, temporary Expedited Interconnection Track for up to 10 state-sponsored, shovel ready, high-capacity generation projects that could come online quickly to address short-and long-term supply needs
- Maximizing the performance and availability of existing generation resources
- Moving forward with stakeholders on long-term market reform as outlined in PJM’s [Powering Reliability Through Market Design](#) report

### PJM 2028/29 BRA Cleared Resource Mix



### Next up:

- The next BRA is scheduled for **Dec. 9, 2026** (for the 2029/30 DY).
- The 3<sup>rd</sup> IA for 2027/28 is scheduled for Feb. 2027 and the 2<sup>nd</sup> IA for 2028/29 is set for July 2027.
- PJM is expected to get back to the classic BRA schedule of three years in advance in May 2027, when they expect to conduct the BRA for the 2030/31 DY.

### How do capacity settlement rates impact costs?

The capacity costs that are part of a business’ energy supply service are calculated by multiplying the final capacity rate in their locational deliverability area (LDA) by their specific peak load contribution (PLC). Even though there is no way to control what rates may settle at, there can be opportunities to control your PLC through [load management](#), which is a service NRG offers.

### Cost example

Using the 2028/29 settlement rates, a business with a 1 MW capacity tag (i.e. capacity obligation or peak load contribution) located in any of the utility zones/LDAs within PJM would pay:

|                                                                            |                                                                               |
|----------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <b>Monthly</b><br>\$325/MW-day x 1 MW x 31 days in cycle = <b>\$10,075</b> | <b>Annually</b><br>\$325/MW-day x 1 MW x 365 days in cycle = <b>\$118,625</b> |
|----------------------------------------------------------------------------|-------------------------------------------------------------------------------|

**About PJM’s RPM capacity market:** PJM's capacity market, called the [Reliability Pricing Model \(RPM\)](#), ensures long-term grid reliability by securing the appropriate amount of power supply resources needed to meet predicted energy demand in the future. Read more in [our informational sheet](#).

<sup>\*</sup> For the 2026/2027 and 2027/2028 BRAs, as approved by FERC (ER25-1357), a price cap and price floor was established to the normal variable resource requirement (VRR) Curve. For the RTO and each LDA, the 2027/28 cap was \$333.44/MW-day (UCAP) and the floor was \$179.55/MW-day (UCAP); the 2026/2027 BRA cap was \$329.17/MW-day (UCAP) and the floor was \$177.24/MW-day (UCAP). PJM filed another request, which FERC approved (ER25-1357), to extend the price collar through the '28/29 and '29/30 BRAs. The cap for 2028/29 was \$325/MW-day (UCAP) and the floor was \$175/MW-day (UCAP).